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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

First report of the Advisory Committee on Administrative and Budgetary Questions*

PART I. OVERALL POLICY-MAKING, DIRECTION AND COORDINATION

Section I. Overall policy-making, direction and coordination

I.1. Part I of the proposed programme budget for the biennium 1998-1999 covers section I, Overall policy-making, direction and coordination. The estimate of $38,622,800 for 1998-1999 represents the regular budget requirements for the biennium 1998-1999.

I.2. With regard to extrabudgetary resources, the Advisory Committee notes that of the total $10.1 million (table 1.1) a total amount of $6,689,000 has been shown for peacekeeping operations and operational projects. The Advisory Committee understands that this relates to requirements for external audit. The Committee believes that it is not sufficient to reflect the amounts without an indication of the sources and uses of the funds. The Committee requests that a clearer narrative indication of extrabudgetary resources be included in the budget submission in the future. Terms such as "operational projects", "other" and "contractual services" should be properly explained.

* The present document contains part I of chapter II of the first report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 1998-1999. Chapter I has been issued as Official Records of the General Assembly, Fifty-second Session, Supplement No. 7 (A/52/7). The complete first report will be issued as Official Records of the General Assembly, Fifty-second Session, Supplement No. 7 (A/52/7/Rev.1).

I.3. On enquiry, the Advisory Committee was informed that of the total $6,689,000, approximately $1.9 million relates to audit of peacekeeping operations, $3.6 million to audit of funds and programmes, $225,520 to audit of trust funds and $145,020 to audit costs for the International Tribunals for the Former Yugoslavia and Rwanda.

I.4. As indicated in table 1.3, the total number of regular budget posts proposed for the biennium 1998-1999 is 117, representing a decrease of five regular budget posts as compared with the total of 122 posts for the biennium 1996-1997. The total number of extrabudgetary posts proposed for the biennium 1998-1999 is 8, the same number as for the biennium 1996-1997. Of the five regular budget posts proposed to be abolished, the Advisory Committee was informed that three posts were vacant as of the end of August 1997.

I.5. The Advisory Committee notes the footnote to table 1.1 regarding the transfer of resources in the amount of $3,459,000 related to the servicing of the General Assembly. The Committee trusts that care will be taken to ensure that the resources transferred are utilized wholly for the needs of the Assembly and that their use will be monitored.

I.6. The Advisory Committee recalls that in paragraph I.3 of its first report on the proposed programme budget for the biennium 1996-1997,[1] the Committee had requested (but was not provided with) information on resources made available to the Office of the President of the General Assembly. The Committee had also expressed its view that there was a need to ensure that the Office of the President of the General Assembly was provided with adequate resources. The Committee believes that need has become more pronounced owing to the extended meeting schedule of the Assembly throughout the year. The Committee will revert to this matter in the context of its examination of the report of the Secretary-General contained in document A/52/303, in which additional resources are being requested for the Office of the President.

I.7. With regard to the secretariat of the Advisory Committee on Administrative and Budgetary Questions, the Secretary-General proposes to continue the current number of regular budget and extrabudgetary posts. In paragraph 31 of its report on the support account for peacekeeping operations (A/51/906 and Corr.1), the Advisory Committee recalled section I of General Assembly resolution 48/185 C of 20 December 1991, in which the Assembly invited the Secretary-General to keep under review the method of financing of posts in the secretariat of the Advisory Committee that were not part of the regular budget. The Committee recalled that it is a subsidiary body of the General Assembly and the functions it performs to implement its mandate fully are entirely on behalf of the Assembly; they are thus core functions of the Organization. The Committee also stated its belief that the funding of its extrabudgetary posts should be reviewed in the context of the consideration of the proposed programme budget for the biennium 1998-1999. Under the circumstances, the Committee recommends that the funding of its secretariat be rationalized through the financing of all of the posts under the regular budget.

I.8. As indicated in table 1.11 of the proposed programme budget, total resources being requested for the Board of Auditors, including its secretariat, amount to $10,428,800, comprising $4,097,100 regular budget resources and $6,331,700 extrabudgetary resources. On enquiry, the Advisory Committee was informed that the level of resources required by the Board is determined by the Board itself and that the three members of the Board share the resources on an equal basis as well as on the extent of their responsibilities. With regard to the scope of the audits, the Committee draws attention to financial

regulation 12.6 of the Financial Regulations and Rules of the United Nations, which states that the Board of Auditors shall be completely independent and solely responsible for the conduct of the audit. The Committee also draws attention to regulation 12.8, which states that the Secretary-General shall provide the Board of Auditors with the facilities it may require in the performance of the audit.

I.9. With regard to the Board of Auditors, the Advisory Committee was informed that for the period from 1 January 1996 to 31 May 1997, 215 auditors were involved in auditing various United Nations entities; 147 audits were undertaken for a duration of two to eight weeks and the volume of operations audited totalled $14,400 million, comprising $9,200 million for funds and programmes, $2,600 million for peacekeeping missions and $2,600 million for the regular budget.

I.10. The Advisory Committee notes the post requirements of the secretariat of the Board as reflected in table 1.12 and paragraph 1.22 of the proposed programme budget. The provision relates to salaries and common staff costs of the secretariat of the Board, consisting of one D-1 and four General Service (Other level) posts. As reflected in table 1.12, the positive growth of $5,800 reflects the combined effect of the application of new standardized vacancy rates and the reclassification of a P-5 post to the D-1 level. The Committee recalls that in its first report on the proposed programme budget for the biennium 1994-1995,[2] it noted the Secretary-General's proposal to downgrade the post of Executive Secretary of the Board from the D-1 to the P-5 level. The Committee had also noted that the Board had not been consulted about the proposal and that the post had been vacant at that time since August 1993. The Committee recommends acceptance of the proposal to restore the post of the Executive Secretary of the Board to the D-1 level. In this connection, the Committee draws attention to General Assembly resolution 50/214 of 23 December 1995, in which the Assembly, inter alia, requested the Secretary-General to keep under review the level of the post of the Executive Secretary of the Board of Auditors, taking into account the increased workload of the Board.

I.11. The Advisory Committee notes that the resources proposed for external audit under section I of the proposed programme budget amount to $10,428,800. In addition, as indicated in section 28 of the proposed programme budget, the resources proposed for internal audit are estimated at $16,469,600 for the biennium 1998-1999. The Committee was, however, not able to ascertain the total amount allocated for audit purposes in the individual peacekeeping operations.

I.12. With regard to the United Nations Joint Staff Pension Board, as indicated in paragraph 1.29 of the proposed programme budget for the biennium 1998-1999, implications for the regular budget of action to be taken by the Standing Committee of the Pension Fund and the decision by the General Assembly in connection with the recommendations of the Fund will be the subject of a statement of programme budget implications.

I.13. As indicated in table 1.19 of the proposed programme budget, requirements for the Executive Office of the Secretary-General amount to $14,701,700 before recosting. Table 1.20 reflects the number of posts; for the biennium 1998-1999, the total number of regular budget posts is shown as 75 as compared with 77 for the previous biennium.

I.14. As indicated in paragraph 1.42, included in these estimates are resources related to the establishment of the Office of External Relations, consisting of an Assistant Secretary-General, supported by seven staff (one D-1, one P-5, one

P-4 and four General Service); the staffing of the new Office has been accommodated through redeployments from the Executive Office of the Secretary-General.

I.15. The Advisory Committee enquired about the functions of the various offices and units in the Executive Office of the Secretary-General, in particular the Office of External Relations and the unit for Peace-building Strategies for Africa. The Committee was informed that although the functions of those offices were not entirely new, they have assumed significant importance as elements in the work of the Executive Office of the Secretary-General. The Committee draws attention to section II, paragraph 8, of General Assembly resolution 48/228 A of 23 December 1993, in which the Assembly requested the Secretary-General to ensure that there was no duplication with the work of the other Secretariat units.

I.16. With regard to the other posts in the Executive Office of the Secretary-General, the Advisory Committee notes from paragraph 1.42 of the proposed programme budget that for the biennium 1998-1999 the following changes have been proposed: redeployment of an Assistant Secretary-General's post to the Department for Policy Coordination and Sustainable Development in order to support the consolidation of the functions of the Secretary-General's Adviser on Gender Issues and the Advancement of Women in that Department, in exchange for a post at the D-2 level; redeployment of one P-4 post to the Office of Human Resources Management; reclassification of the two Executive Assistants of the Secretary-General from the D-1 to the D-2 level; establishment of one P-3 post for a speech-writer to replace a P-4 post that was redeployed to the Office of External Relations, and abolition of two posts (one P-4 and one Security Service).

I.17. The Advisory Committee notes from table 1.19 of the proposed programme budget that there is an increase of 29.3 per cent over the previous biennium in the estimated requirements for consultants and experts. The resources requested for this purpose are $181,000 before recosting. The Committee believes that the request seems high given the explanation for the requirements in paragraph 1.44 of the proposed programme budget that expertise is needed to provide the Secretary-General with independent advice in such areas as preventive diplomacy, peacekeeping, reconstruction, rehabilitation and development, communication and administrative and financial reform. The Committee trusts that the expertise available within the Organization will be fully utilized before resorting to outside expertise. In this connection, the Committee also draws attention to its comments in paragraph I.9 of its first report on the proposed programme budget for the biennium 1996-1997.[1]

I.18. With regard to the Office of the Director-General, United Nations Office at Geneva, the Advisory Committee notes that the total resources requested amount to $4,923,900 before recosting. The Committee notes from paragraphs 1.51 to 1.53 of the proposed programme budget that an explanation for the utilization of the 20 posts requested has been included.

I.19. Resources requested for the Office of the Director-General, United Nations Office at Vienna, amount to $1,927,200 before recosting. The estimated requirements of $1,728,500 relating to posts reflect a negative growth of $345,100 for a reduced complement of 10 posts funded from the regular budget instead of 12 posts during the biennium 1996-1997. As indicated in paragraph 1.62 of the proposed programme budget, the D-1 and P-5 posts that currently provide for the functions of Special Assistant to the Director-General and the Protocol and NGO Liaison Officer, respectively, have been proposed for

redeployment to section 14, Crime control. In exchange, two posts (one P-4 and one P-3) are proposed to be redeployed from section 14 to the Office of the Director-General. The Advisory Committee notes that the abolition of the posts of Secretary and Personal Assistant mentioned in paragraph 1.62 is in line with the Committee's recommendation to keep under review the ratio of General Service posts to those in the Professional category.

Report of the Secretary-General on United Nations reform: measures and proposals (A/52/303)

The above report was issued subsequent to the Advisory Committee's consideration of its draft report on the proposed programme budget for the biennium 1998-1999.

At the time of the Advisory Committee's consideration of its draft report, a decision still had not been reached on how the Secretary-General's reform proposals would be dealt with in the General Assembly. The Committee will therefore revert to consideration of document A/52/303 in due course.

Notes

[1] Official Records of the General Assembly, Fiftieth Session, Supplement No. 7 and corrigendum (A/50/7 and Corr.1).

[2] Ibid., Forty-eighth Session, Supplement No. 7 (A/48/7), para. I.6.